

UNITED NATIONS DEVELOPMENT PROGRAMME



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Agenda item 5

Country and intercountry programming and projects

COUNTRY PROGRAMME OF THE GOVERNMENT OF CHILE

Note by the Administrator

Programme period

1977-1981

IPF for 1977-1981

\$ 20 million

I. Nature of the programming exercise

1. The country programme 1977-1981 for Chile has been prepared jointly by the National Planning Office (ODEPLAN) and the National Commission for Scientific and Technological Research (CONICYT) and has been officially submitted by the Chilean Ministry of Foreign Affairs for the consideration and approval by the Governing Council. It reflects the national objectives, as laid down in the National Development Plan, and in the Scientific and Technological Development Plan (1976-1980).

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2. As a preliminary step, an inventory of on-going projects of technical cooperation, both UNDP and non-UNDP financed, was carried out together with a series of sectoral consultations and meetings with a view to detecting possible new areas of assistance. All the projects and activities which passed through this identification process were screened according to a number of qualifying criteria agreed upon by ODEPLAN and CONICYT, who selected the specific areas and assigned the available resources within the context of established priorities for economic, social as well as scientific and technological development. These negotiations were followed by discussions with the Finance Ministry in order to assure the necessary financial provision for the national authorities' inputs to specific projects. Upon the conclusion of this exercise, the draft document was transmitted to UNDP for distribution to the United Nations organizations, and multilateral or bilateral donors for comments. The final version was then formulated, giving proper consideration to the observations and suggestions of UNDP, the agencies and other donors.

II. Relation to the country programme to national development objectives

3. The main development objectives, enunciated by the Government of Chile, in its country programme document, can be summarized in two over-all goals: to achieve and sustain a high level of economic development, and, in harmony with that, to promote social development.

4. In the short run, it is the Government's declared policy to stabilize the Chilean economy and control inflation by means of a reduction in the levels of public spending and credit. The Government's long range policy is growth oriented and includes as its principal measures: the efficient allocation of productive resources; increasing savings and capital investment; development of human resources; and strengthening the scientific and technological capacity. The goal of social development is being pursued by special programmes, for instance; low cost housing; nutrition programmes; attention to mother and child, and an emergency employment programme, with particular stress on the rural poor.

5. It is within this over-all context of overriding national objectives and specific programmes to achieve them that the Government has placed UNDP development assistance, since it considers UNDP to be an effective vehicle for transferring technological capacities.

6. The major target areas for concentration of UNDP assistance are: human resources development; natural resources; regional development; and science and technology. In the area of human resources, UNDP is being asked to contribute both in over-all planning as well as in follow-up activities in specific selected key sectors. In the natural resources area, the country programme will be concerned with activities of the utmost importance for Chile, forestry and energy. These activities affect the over-all rate of economic growth, as well as the balance of trade, the creation of employment, the development of new

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technologies for the country and, the rational use of national resources. Regional development, which is crucial to the over-all development objectives, cuts across all sectors, complements all economic and social policies, and is, indeed, the prevailing strategy of the country programme, since it simultaneously supports and is supported by practically every activity to some degree. Science and technology, as the fourth area of the programme, will be linked directly to the Government's national plan in this area. At the same time, activities included in other sectors of the country programme with a significant technological component will also be carried out in a manner consistent with the plan's objectives.

III. Content of the country programme

7. Tables 1 and 2 show the sectoral breakdown of the programme and the phasing and source of funds. It is noteworthy that the commitment of funds from the second cycle to on-going projects is relatively small (19 per cent only). Furthermore, as some of the on-going projects will undergo thorough evaluation in the near future, a modification of the present level of commitment can be expected. As can be observed, no yearly breakdown of expenditures is shown, as it is felt necessary to have as much operational flexibility as possible, within the constraints of annual expenditure ceilings. The programme is a fully integrated package, in which the concrete decisions on the scope and timing of actual activities are dependent on the results of major planning projects. In the sense of supporting the programme approach and achieving the greatest output from limited UNDP inputs, the activities of the country programme will complement each other wherever feasible as well as draw from and cooperate with the activities of UNDP intercountry projects and other multilateral and bilateral technical and financial co-operation.

8. In the area of human resources, the over-all planning project will contribute to the co-ordination of all the different institutions presently involved in human resources planning, and will assist in evaluating the programmes and policies in all the social sectors.

9. As already mentioned, the national objective of regional development will be supported in the country programme. On the one hand, a key project will have the dual aim of carrying out massive training of personnel responsible for implementing regionalization and of providing specific advisory services on the process itself. Regional development will be a recurring theme in the entire programme, especially in the areas of administrative reform, statistics and information which are closely related. The activities of some of the projects will further the economic and social development of the particular regions in which they take place. For instance, coal prospection, fisheries development, support to the forestry sector, and some of the projects of the science and technology and agriculture sectors.

10. In the natural resources area, the country programme will be restricted to activities of the utmost importance for Chile, forestry and energy. It is hoped that these activities will benefit the over-all rate of economic growth, the balance of trade, the creation of employment, and the development of new technologies for the country. As regards the development of science and techno-

logy consonant with growth policies, particular attention is being given to the new land owners who recently received their property titles, beneficiaries of an agrarian reform process initiated in the past. The adaption of foreign technologies is being encouraged, complementary to the development of a national technology.

Table 1

Sectoral breakdown of on-going and new projects

<u>Sector</u>	<u>On-going projects</u>		<u>Identified new projects</u>		<u>Total</u>	
	<u>Value (\$'000)</u>	<u>Per cent</u>	<u>Value (\$'000)</u>	<u>Per Cent</u>	<u>Value (\$'000)</u>	<u>Per cent</u>
Human resources	389.8	10	6 700.7	39	7 090.5	33.9
Natural resources	2 597.7	69	3 749.7	22	6 347.4	30.3
Regional Development	553.3	15	3 680.0	21	4 233.3	20.2
Science and Technology	213.4	6	3 040.0	18	3 253.4	15.6
Total programmed	3 754.2	100	17 170.4	100	20 924.6	100

Table 2

Country programme resources

A. Amounts programmed

<u>Year</u>	<u>(\$'000)</u>
1977-1981	20 924.6
Reserve	1 488.4
	22 413.0

B. Resources taken into account for programming

1. IPF resources available for programming	20 924.6 <u>a/</u>
2. Provision for adequate programming	1 488.4
Total resources taken into account for programming	22 413.0

a/ The indicative planning figure of \$20 million plus approximately \$924,600 presenting savings from the period 1972-1976

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IV. Recommendations of the Administrator

12. In the light of the views expressed above, the Administrator recommends that the Governing Council:

(a) Approve the proposed UNDP country programme for Chile for the duration of its programme period within the limits of its indicative planning figure for 1977-1981, taking into account the balance of over-expenditure or under-expenditure of its 1972-197 indicative planning figure; and

(b) Authorize the Administrator to proceed with appraisal and approval action on requests for assistance falling within the outlines of the country programmes while ensuring, in accordance with the decision of the Governing Council at its eighteenth session (E/5543/Rev.1, paragraph 31), that expenditures are kept in reasonable conformity with the relevant indicative planning figures and are contained within the financial resources available at any given time.
